

Christmas shopping alert

Customs duty, VAT, and excise duties on purchases from the EU

Changes introduced on 1 January 2021 mean that in the same way that consumers have previously had to pay charges when buying certain items from non-EU sellers, they may now also need to do so when buying goods from the EU.

If there are charges to pay, shoppers are being warned that they may also need to pay a 'handling fee' to the courier company before their goods are released.

Shoppers in Northern Ireland excluded

Shoppers based in Northern Ireland won't be affected by these changes due to the Northern Ireland Protocol, however those in the rest of Great Britain should be prepared for potential charges.

Buying tobacco, alcohol, or perfume?

Shoppers buying excise goods will need to pay import VAT and excise duty and may also need to pay customs duty.

Is your order worth more than £135?

Shoppers buying stocking fillers or small value items, not including excise goods, don't need to worry as goods sent in consignments worth less than £135 should not attract additional charges, as UK VAT is collected by the seller on behalf of HMRC at the point of sale. This will also apply to goods being purchased from non-EU countries.

Anyone buying a more expensive product from abroad - over £135 - will now need to pay import VAT and may need to pay customs duty. The amount due will depend on a range of factors, including shipping and insurance costs so, to avoid surprises, consumers should consult their seller.

Shoppers who already know they will need to pay import VAT should make sure their seller does not charge them VAT, otherwise they may be charged twice.

Charges on gifts

If you're lucky enough to receive a gift from someone based in the EU and it is valued at less than £39 and it does not contain excise goods, it will be exempt from import VAT and customs duty. Above the £39 threshold, import VAT will be due and once the value of the gift reaches £135, customs duty will also be payable. You could also be charged a "handling fee".

If you are planning on sending a gift to someone based overseas, you should check guidance published by the relevant customs authority to check their specific rules and charges.

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